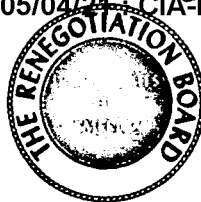


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FILE:
HBILKA/
RENEGOTIATION BOARD

25X1

File

Renegotiation
Board

WASHINGTON, D.C. 20446

AUG 30 1974

Air America, Incorporated
1725 K Street, N. W.
Washington, D. C. 20006

Subject: Air America, Incorporated (Consolidated)
Fiscal Years Ended March 31, 1967 - 1974

Gentlemen:

This letter, sent by registered mail to you as Agent for the above-named Consolidated Group, serves as notice that The Renegotiation Board has exempted, pursuant to Section 106(d)(1) of the Renegotiation Act of 1951, as amended, and RBR 1455.2(d), all contracts between Air America, Incorporated (Consolidated) and the Department of Defense and its military departments for the Group's fiscal years ended March 31, 1967, 1968, 1969, 1970, 1971, 1972, 1973 and 1974.

The Board has directed me to further advise you that if you wish such an exemption for the fiscal year ended 1975, or later fiscal years, a request for such exemption should again be made by the Department of Defense.

Very truly yours,

The Renegotiation Board

By Richard E. Rapps
Richard E. Rapps
Secretary to the Board



29 August 1974

NOTE FOR THE FILE:

Dave Lambert advised today that Renegotiation Board approved exemptions for Air America through FY 74 (3-31-74). They will send a letter to Air America and will advise the Secretary of Defense. The RB-1's and supporting documents cannot be returned to the company even though the exemptions have been granted. They will be available for inspection under Freedom of Information. However, information on non-negotiable contracts will be screened out before they are made available upon a public request. There is a good deal of material in addition to the supporting documents which Lambert will try to screen out and return to Air America. He will also consider whether he can return Mr. Warner's classified letter to Chairman Whitehead. It may be that it would be better for him to keep it, at least as long as Whitehead stays with the Board. Lambert noted that there are two ways in which someone might obtain access to the Air America RB-1's--first, of course, someone who specifically requests renegotiation records on Air America. The other, and more likely, is someone requesting renegotiation records by Standard Industry Code (SIC). This will retrieve an index of renegotiated contracts in the air carrier industry. (Lambert suggested that we be sure to file an exemption request for FY 75 around the end of the company's fiscal year.) I advised Henry Bevins of this and he will make note of it. Lambert agrees that a letter from the Assistant Secretary of Defense will be adequate.



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